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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Service

HOW FEDERAL GRADES FOR FRESH FRUITS AND VEGETABLES ARE BEING
ADAPTED TO CONSUMERS' NEEDS

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Before discussing the subject of consumer grades I should like to outline in a general way what the Department of Agriculture has accomplished in the field of standardization of fresh fruits and vegetables. The first of these standards, issued in 1917, was for potatoes. Since then standards have been issued for additional products and many standards have been revised several times in order to improve them and to keep abreast of current handling and marketing practices.

At the present time the Agricultural Marketing Service has 82 standards for 57 different fruits and vegetables. Two or more standards are necessary for some products because of differences in types and uses. For example, there are U. S. Standards for fresh tomatoes which are marketed fresh through the usual channels of trade and reach the consumer in the fresh condition. Another set of tomato standards is for tomatoes grown in greenhouses and sold fresh. Another set applies to tomatoes used for canning and still another set of standards for tomatoes for manufacture of strained tomato products. We have also issued 17 standards for commodities such as walnuts, peanuts, pecans, honey, maple sirup, and peonies. This will give you some idea of the progress that has been made in the issuing of standards for fresh fruits and vegetables since 1917.

The present standards for fruits and vegetables issued by this Department do not necessarily represent the exact views of the staff. The individual grades have usually been based on results of research by the staff but the final standards have frequently been modified substantially to meet the views of various groups in the industry. The Agricultural Marketing Service has tried to serve as a fact-finding and coordinating agency - furnishing facts as a result of research and assisting wherever possible in harmonizing the divergent views of competing areas and interests.

In general the factors considered in determining the grades are (1) variety; (2) market quality based on state of maturity and general appearance including desirability of shape and color, relative freedom from such defects as cause waste or unreasonable deterioration. The information on which to base grades is obtained by visiting producing areas so as to observe handling and packing practices and to interview growers and shippers who are handling the product. Receiving markets also are visited to make observations and to interview the trade which handles the product. Many times we hold conferences, in addition to obtaining personal interviews and making observations, and of course considerable correspondence is

handled before any final action is taken. The use of these standards is not compulsory as far as the Federal Government is concerned. In other words, they are permissive standards which may be used by those who are interested in packing and marketing their products on the basis of definite U. S. Standards. There is one exception and that applies to apples and pears which are exported. The Export Apple and Pear Act provides that the Secretary of Agriculture issue regulations regarding the export of these commodities.

The uses made of the U. S. standards for fruits and vegetables would be rather a lengthy story but I think that the following concise statement will be adequate. The standards provide a basis for trading between growers or shippers and dealers in the markets and are absolutely indispensable as a basis for long-distance dealing where the buyer cannot inspect the product. They provide a basis for the quotation of prices by the Market News Service without which growers would not be informed of current prices for their products. They also provide a basis for the inspection of fruits and vegetables. Certificates are used as a basis of sales and in the settlement of disputes between buyer and seller. During the past fiscal year more than 456,000 carlots of fruits and vegetables were inspected at shipping points and nearly 49,000 carlots at receiving markets mostly on the basis of U. S. standards. A large percentage of the cars of fruits and vegetables that are not inspected by official inspectors are packed to meet the requirements of U. S. standards and are quoted and sold on the basis of such standards. The standards are essential as a basis for controlling shipments below a certain quality and for the proration of shipments in connection with marketing agreements under the Agricultural Adjustment Administration. The official standards for raw products for canning have benefited growers, canners, and consumers. They have encouraged growers to produce and harvest a better quality product for which canners have paid higher prices. The quality of the manufactured product is superior and naturally both canner and consumer benefit.

As you know, the Federal standards for fruits and vegetables have been used mainly in carlot transactions and wholesale channels of trade. Through their use it is believed that a great improvement has been brought about in the quality of the products shipped to market and as result the consumer is getting increasingly better produce from year to year. Certain groups of consumers, home economists, and others, however, have not been entirely satisfied with the quality of the produce they have been obtaining and frequently have asked the question, "Why can't we buy fresh fruits and vegetables at retail by U. S. grade designation?" The answer is that now one can buy some products in retail stores by U. S. grade designation. During the last few years the packing of some of the less perishable products such as potatoes, apples, onions, and citrus fruits in consumer-sized packages branded with the U. S. grade designation has increased materially. We in the Department of Agriculture are of the opinion that produce packed to meet requirements of U. S. Fancy or U. S. No. 1 grades is generally satisfactory to consumers. The big problem is to have the products meet such requirements at the time they are offered for sale to the consumers in the retail stores.

Owing to the higher labor costs in the cities and to the lack of packing facilities it is more economical and practicable to prepare consumer packages of produce at shipping points. However, fruits and vegetables are more or less perishable and it is obvious that packages of some products meeting the requirements of U. S. No. 1 grade at shipping point will not contain U. S. No. 1 products when they arrive at the retail stores. Some specimens may decay or break down in

transit while others will be injured mechanically during transportation and handling. This is true even of the less perishable products such as onions and potatoes. Unless the packaged products are reconditioned in the stores, some of them will fail to meet the grade requirements when offered to the consumer. The consumer who purchases such a package is dissatisfied with his purchase and there is a resulting tendency to criticize the requirements of the U. S. standards.

Under present methods of handling it would be impossible to pack certain of the highly perishable commodities as spinach, beets, strawberries, peaches, and tomatoes of a certain grade in consumer-sized packages at shipping points and expect all of them to arrive in the stores in condition to meet the requirements of the same grade. Peaches and tomatoes that have deteriorated can be sorted but in the stores. However, a package of peaches reconditioned for grade in the morning might not be up to grade in the afternoon owing to the development of brown rot. In an attempt to recondition small fruits and berries one would probably do more damage than good in sorting them to remove damaged specimens.

Most fresh fruits and vegetables are not shipped or displayed in consumer packages, but are sold from bulk displays in retail stores where the buyer has the opportunity to select the quality that best meets her individual requirements. It is impossible to know exactly what percentage of retail purchases are made by personal selection but it is probably between 75 and 90 percent. If bulk displays of fresh fruits and vegetables were to be offered to the consumers labeled as to grade it would mean that an inspector or someone well trained to interpret the standards would have to inspect the produce each morning. Furthermore, someone would have to give close attention to the maintenance of the displays throughout the day. At present the facilities for training a corps of inspectors to handle the job are not available. Also the cost would probably be prohibitive and the consumer would not be willing to pay the extra cost for the classified produce. It is problematical whether the average consumer in selecting her needs, would pay much attention to the grade marked on the lot. Would she not be more likely to select individual specimens which appear to be the best in the display regardless of any grade designation?

In order to aid purchasers in selecting the best quality fresh fruits and vegetables, the Department has issued a bulletin entitled, "A Fruit and Vegetable Buyer's Guide for Consumers." (Miscellaneous Publication No. 167). This was first printed in 1933 and judging by the demand, it has been one of the most popular bulletins we have ever issued. Housewives, consumer groups, and purchasers for institutions as well as retail stores have no doubt been greatly benefited by the information given in this publication.

In spite of the many disadvantages of applying U. S. standards to retail quantities of fresh fruits and vegetables, the Agricultural Marketing Service is in favor of developing the system as far as practicable. As has already been pointed out, some of the less perishable commodities are now offered to consumers in packages labeled with the U. S. grade designation. During the last year we have devoted considerable study to making the U. S. standards more adaptable to consumer use. In fact Congress made a small appropriation specifically for this purpose. As a starter in this program a study of the U. S. potato standards is being made in Chicago. Since September two regularly employed members of the market inspection force have devoted full time to interviewing retailers and making analyses of various lots of potatoes offered for sale. Samples obtained

from retail stores in Chicago have been analyzed to determine the size and grade of potatoes or the percentage of U. S. No. 1 quality in consumer packages put up at shipping points or in Chicago, as well as in 100-pound sacks, 50-pound crates of new potatoes, and in bulk lots in bins at the stores. When the survey is completed by the end of June we will have a fairly representative picture of the quality and size of western-, northern-, and southern-grown potatoes that were offered to consumers in Chicago the past season, as well as statements from perhaps a fifth of the retail store managers in Chicago relative to consumer preferences and to qualities in potatoes which are most objectionable to consumers. The analyses of several hundred consumer packages of potatoes labeled as to grade should give a fairly accurate picture of the percentage of potatoes picked at shipping point to meet a specified grade that carry through to the consumer.

When finally tabulated and assembled the data will, it is hoped, give an indication of what changes, if any, are necessary in the U. S. standards for potatoes to make them more adaptable to consumer use. If this undertaking proves successful with potatoes, similar studies may be made of the marketing of other commodities with a view to making the standards more serviceable from the consumer's point of view.